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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

SEP 29 1994

REPLY REFER TO:
CN9403812

Honorable Phil Gramm
United States Senator
2323 Bryan Street, #1500
Dallas, TX 75201

RECEIVED
SEP 19 1994
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Dear Senator Gramm:

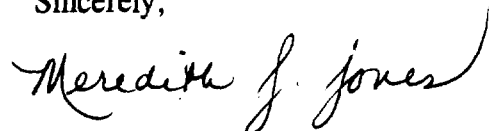
This is in response to your inquiry on behalf of a constituent, Mr. Richard D. Adams, Executive Vice President/General Manager of Brazos Telephone Cooperative, Inc., an affiliate of the National Rural Telecommunications Cooperative (NRTC). Mr. Adams is concerned that DirecTV, operator of a direct broadcast satellite (DBS) facility, cannot obtain rights to Time Warner and Viacom programming, because such programming is subject to exclusive distribution rights of another DBS distributor, United States Satellite Broadcasting, Inc.

Mr. Adams also expresses his support for the position of the National Rural Telecommunications Cooperative concerning the Commission's interpretation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992. NRTC has requested that the Commission reexamine the legality of exclusive contracts between vertically integrated cable programmers and DBS providers in areas unserved by cable operators. NRTC has asked that the Commission determine that such contracts are prohibited.

NRTC's petition for reconsideration of the Commission's program access rulemaking proceeding is currently pending. As such, any discussion by Commission personnel concerning this issue outside the context of the rulemaking would be inappropriate. However, you may be assured that the Commission will take into account each of the arguments raised by NRTC and the other parties to the rulemaking concerning this issue to arrive at a reasonable decision on reconsideration.

I trust this information is responsive to your inquiry.

Sincerely,



Meredith J. Jones
Chief, Cable Services Bureau



BRAZOS TELEPHONE

COOPERATIVE, INC.

109 N. Avenue D
Olney, Texas 76374
817-873-4303
(Olney) 817-564-5659

July 25, 1994

AUG 1 1994

AUG 1 1994

*The Honorable Senator Phil Gramm
United States Senate
Washington, D.C. 20510-20515*

Dear Senator Gramm:

I am writing this letter concerning the implementation and enforcement of Section 19 of the 1992 Cable Act by the Federal Communications Commission.

My concern, as a distributor of DBS satellite television programming, is that equal access to cable and broadcast programming at fair rates will not be available in our local marketplace. Equal access is essential for Brazos Digital Television Systems to be competitive.

Enclosed is a letter to FCC Chairman Reed Hundt from myself, which expresses my concern for the best interest of our rural consumers. As a cooperative, we have been providing communication services to rural areas in five north Texas counties for many years. We wish to continue to offer the latest technological opportunities in communications to our rural customers.

I would appreciate your assistance on behalf of rural consumers in Texas, in encouraging the FCC to ensure equity in the satellite television industry.

Sincerely,

Richard D. Adams
Exec. Vice-Pres./General Manager
Brazos Telephone Cooperative, Inc.
DBA Brazos Digital Television Systems

RDA/mp

Enclosure



**BRAZOS
TELEPHONE**

COOPERATIVE, INC.

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94-48
109 N. Avenue D
Olney, Texas 76374
817-873-4303
(Olney) 817-564-5659

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OCT 19 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

July 25, 1994

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW, Rm. 814
Washington, D.C. 20554

Dear Chairman Hundt:

I am writing this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the market for the Delivery of Video Programming, CS Docket No. 94-48.

Brazos Telephone Cooperative was founded 40 years ago. Our purpose today, as it was then, is to bring good quality, affordable telephone service to the rural areas of five counties we serve in north Texas. Our members now enjoy the latest technology available and our goal is to continue to provide the finest telephone service available to our rural customers, as well as meeting all of their communications needs.

We were naturally delighted to have the opportunity to provide direct broadcast satellite (DBS) television service to consumers in our rural service area. Until now, our customers have had little choice other than satellite for receiving television service. Our desire is to provide rural consumers with entertainment and communications opportunities previously available only to city dwellers. Our customers have shown an amazing response to the availability of the direct broadcast satellite television service. DirecTV is the vehicle we have chosen to deliver the latest technology in this industry to our rural customers.

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Reed Hundt, Chairman, FCC, Page 2

Because of the "exclusive" distribution arrangements between Time Warner/ Viacom and United States Satellite Broadcasting Co., Inc., we are unable to offer popular programming like HBO, Showtime, Cinemax, The Movie Channel, VH-1, MTC, Nickelodeon, etc. Our rural customers merit the variety in programming offered through Time Warner/ Viacom, which is now available only to the United States Satellite Broadcasting Co. exclusively.

It was my impression that Congress had guaranteed equal access to cable and broadcast programming for all distributors with the passage of the 1992 Cable Act. Despite this fact, however, our rural consumers will continue to be treated unfairly by the cable industry.

Brazos Telephone Cooperative has worked to be a leader in our local business community. We have built a reputation for exceptional customer service. I believe that the exclusivity rights will hurt the rural consumers and hinder our ability to compete and retain the reputation we have worked to build.

I strongly urge you to monitor this situation and help ensure that rural consumers have DBS television services technology available to them at competitive prices.

Thank you for your consideration in this matter.

Sincerely,



Richard D. Adams
Exec. Vice-President/General Manager
Brazos Telephone Cooperative, Inc.
DBA Brazos Digital Television Services

RDA/mp

cc:

The Hon. Congressman Charles Stenholm
The Hon. Senator Kay Bailey Hutchison
The Hon. Senator Phil Gramm
William F. Caton, Secretary
The Hon. James H. Quello
The Hon. Andrew C. Barrett
The Hon. Susan Ness
The Hon. Rachelle B. Chong